

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF	)	
MARTIN COUNTY WATER DISTRICT	)	CASE NO.
FOR AN ALTERNATIVE RATE	)	2018-00017
ADJUSTMENT	)	

ORDER

This matter is before the Commission upon a motion filed on October 10, 2018, by Martin County Water District (Martin District), in Case No. 2016-00142<sup>1</sup>, for approval to pay indebtedness with surcharge funds. While the motion was filed in Case No. 2016-00142, the surcharge and surcharge account have been created in response to the rate requests in Case No. 2018-00017. Filings related to the surcharge and surcharge account should properly be made in Case No. 2018-00017.

In support of its motion, Martin District discussed three separate alternatives for retiring its past-due indebtedness using the revenue generated from the surcharge approved in the Commission's Order of March 16, 2018. Of the three alternatives, Martin District states that its Board of Commissioners prefers option B(1). Martin District also states that by utilizing this option, it will be able to pay all but the four largest creditors within nine months of receiving approval of the disbursement from the Commission. The four largest creditors have agreed to wait to be paid for as long as Martin District has a

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<sup>1</sup> Case No. 2016-00142, *Electronic Investigation of the Operating Capacity of Martin County Water District Pursuant to KRS 278.280*, filed April 22, 2016.

repayment plan in place. The Commission finds that Martin District's request to use the surcharge funds, and to utilize option B(1), as outlined in its motion, is reasonable and should be granted. The Commission also finds that Martin District should be required to file monthly, on the fifteenth of each month, the preceding month's bank statement and copies of cancelled checks that were written to pay its creditors from the surcharge account. Lastly, the Commission finds that Martin District should maintain a minimum balance of \$1,000.00 in the surcharge account.

IT IS THEREFORE ORDERED that:

1. Martin District's request to use the surcharge funds and utilize option B(1) as outlined in its motion is granted.
2. On the fifteenth of each month, Martin District shall file the preceding month's bank statement and copies of cancelled checks written to pay its creditors from the surcharge account.
3. Martin District shall maintain a minimum balance of \$1,000.00 in the surcharge account.
4. All documents submitted pursuant to this Order shall be filed into the record of Case No. 2018-00017.

By the Commission

ENTERED  
OCT 16 2018  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

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